AMENDMENTS TO THE CLAIMS

1.   (Currently amended) A computer-implemented method of conducting a consecutive betting process for investors, the computer having a betting exchange unit for performing the following steps:

   a)   identifying an uncertain event having potential outcomes $O_1, \ldots O_m$, where $m \geq 2$;

   b)   initializing a first betting cycle;

   c)   receiving bets $B_1, \ldots, B_m$ from the investors for each of the potential outcomes $O_1, \ldots O_m$ during the first betting cycle to accumulate an initial bet total B_{tot};

   d)   issuing equal numbers $OS(1), \ldots OS(m)$ of outcome shares such that $OS(1)=\ldots=OS(m)$, the outcome shares corresponding to the potential outcomes $O_1, \ldots O_m$;

   e)   assigning a share value SV to each of the outcome shares;

   ~~e)~~ f)   assigning quote values $Q_1, \ldots, Q_m$ to each of the outcome shares such that $Q_1=(SV*B_1)/B_{tot}, \ldots, Q_m=(SV*B_m)/B_{tot}$; and

   ~~f)~~ g)   distributing the outcome shares to the investors.

2.   (Original) The method of claim 1, further comprising the steps of:

   g)   monitoring an actual outcome OA of the future event; and

   h)   selecting from among the outcome shares winning shares WS corresponding to the actual outcome OA and determining a number of winning shares NWS.

3.   (Original) The method of claim 2, wherein the number of winning shares NWS is selected such that $NWS*SV=B_{tot}$.

4.   Cancelled.

5.   (Original) The method of claim 2, wherein the step of monitoring the actual outcome OA is performed by a data acquisition unit.

6. (Original) The method of claim 1, wherein the investors comprise real investors and artificial investors.

7. (Original) The method of claim 6, wherein at least one artificial betting entity places a minimum initial bet B_{min} on any of the potential outcomes O_1, ..., O_m for which corresponding initial bets B_1, ..., B_m are zero.

8. (Original) The method of claim 6, wherein the real investors are connected to the betting exchange unit by a communication network.

9. (Currently amended) The method of claim 1, the method further comprising the following steps:

i) initializing a subsequent betting cycle;

j) receiving amounts of money $IM(1)$,...$IM(m)$ corresponding to subsequent bets $B_{1'}$, ..., $B_{m'}$ from the investors on each of the potential outcomes O_1, ..., O_m during the subsequent betting cycle;

k) receiving numbers $IS(1)$, ..., $IS(m)$ of incoming shares in outcomes O_1, ... O_m, from the investors during the subsequent betting cycle; and

l) re-assigning the quote values Q_1, ..., Q_m to preserve an equal number of outstanding shares in outcomes O_1, ... O_m such that $OS(1)-IS(1)=...=OS(m)-IS(m)$, wherein $OS(i)$ are numbers of outcome shares for outcomes O_1...O_m newly issued during the subsequent betting cycle.

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10. (Original) The method of claim 9, wherein the numbers of incoming outcome shares and newly issued outcome shares exchanged are in accordance with the reassigned quote values Q_1, ..., Q_m.

11. (Original) The method of claim 9, further comprising the steps of:

m) monitoring an actual outcome OA of the future event; and

n)   selecting from among the outcome shares winning shares WS corresponding to the actual outcome OA and assigning a normalized share value SV to each of the winning shares WS.

12.   (Original) The method of claim 11, wherein the normalized share value SV is selected such that $NWS*SV=B_{tot}$, where NWS is the number of winning shares.

13.   (Original) The method of claim 11 wherein said normalized share value SV is equal to a unit of currency.

14.   (Original) The method of claim 9, further comprising:

g)   determining amounts of outgoing money OM(1), ..., OM(m) for each kind of outcome share, wherein each amount of outgoing money OM(i) is determined by $OM(i) = \dfrac{IM(i) \cdot IS(i)}{OS(i)}$.

15.   (Original) The method of claim 14, wherein the revised quotes $Q_1...Q_m$ are determined by $Q_i = \dfrac{IM(i)}{OS(i)} = \dfrac{OM(i)}{IS(i)}$.

16.   (Original) The method of claim 9 wherein step d) includes solving a polynomial of having m+1 roots.

17.   (Original) A system for conducting a consecutive betting process for investors placing bets B_1, ..., B_m on potential outcomes O_1, ..., O_m of a future event, where $m \geq 2$, the system having:

a)   a means for sending the bets B_1, ..., B_m from the investors;

b)   a betting exchange unit for initiating a first betting cycle and receiving the bets B_1, ..., B_m from the investors during the first betting cycle, the bets B_1, ..., B_m accumulating to an initial bet total B_{tot}, the betting exchange unit further comprising:

i)   a computing unit for issuing equal numbers OS(1), ..., OS(m) of outcome shares such that OS(1)=...=OS(m), the outcome shares corresponding to the potential outcomes O_1, ..., O_m,, the computing unit assigning a share value SV to each of the outcome shares, the computing unit further assigning quote values Q_1, ..., Q_m to each of the outcome shares OS(1), ..., OS(m) such that $Q_1=(SV*B_1)/B_{tot}$, ..., $Q_m=(SV*B_m)/B_{tot}$; and

ii)   a distributing unit for distributing the outcome shares to the investors.

18.   (Original) The system of claim 17, wherein the computing unit further comprises an interface for receiving an actual outcome OA of the future event, the computing unit selecting from among the outcome shares winning shares WS corresponding to the actual outcome OA and assigning a normalized share value SV to each of the winning shares WS.

19.   (Original) The system of claim 18, further comprising a data acquisition unit for monitoring the actual outcome OA, the data acquisition unit being connected to the interface.

20.   (Original) The system of claim 17, wherein the investors comprise real investors and artificial investors.

21.   (Original) The system of claim 17, wherein the means for sending the bets B_1, ..., B_m comprises a communication network.

22.   (Original) The system of claim 17, wherein the betting exchange unit is programmed to initialize a subsequent betting cycle for receiving subsequent bets $B_{1'}$, ..., $B_{m'}$ from the investors on each of the potential outcomes O_1, ..., O_m during the subsequent betting cycle and for receiving shares IS(1), ..., IS(m) from the investors during the subsequent betting cycle, and the computing unit is programmed to re-assign the quote values Q_1, ..., Q_m to preserve an equal number of outstanding shares in outcomes $O_1....O_m$ such that

$$OS(1)-IS(1)=...=OS(m)-IS(m).$$

23.   (Original) The system of claim 22, wherein the computing unit further comprises an interface for receiving an actual outcome OA of the future event, the computing unit selecting from among the outcome shares winning shares WS corresponding to the actual outcome OA and assigning a normalized share value SV to each of the winning shares WS.

24.   (Currently amended) The system of claim 23, further comprising a data acquisition unit for monitoring the actual outcome OA, the data acquisition unit being connected to the interface.